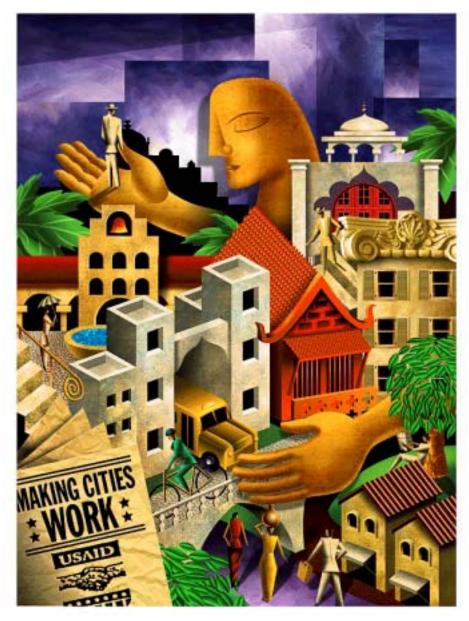# Making Cities Work

Annual Activities Report

Fiscal Year 2000

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Executive Summary

In the 1990s, developing countries struggled to accommodate an astonishing 150,000 new urban dwellers each day. During this decade, the figure is projected to rise to 180,000 daily, or more than 1 million people moving into a city each week.[1] This phenomenal rate of growth in urban centers is fueled by the hope of prosperity and an improved quality of life. More often than not, these simple and common dreams are not attained, as growing cities in developing countries are ill equipped to accommodate demographic changes and to manage the complexities of increased delivery of basic services. However, urbanization, in the right circumstances, can contribute to a better quality of life and to a reduction in poverty through economies of scale and fostering economic growth and political stability. The U.S. Agency for International Development (USAID) in late 1998 approved an urban-focused strategy to respond to the phenomenal rate of growth in cities around the world.

This Annual Activities Report summarizes the activities and progress made in implementing USAID's Making Cities Work (MCW) strategy in fiscal year 2000. This report is called for in the strategy document approved by the USAID Administrator. It is an illustrative snapshot of the Agency's MCW activities. Taken collectively, the activities demonstrate how an urban perspective enhances development results. This report is the first step towards a comprehensive review of all urban-focused activities that the Agency is undertaking to enable cities to:

- promote participatory democracy, with high levels of citizen satisfaction with local institutions;
- provide basic infrastructure and housing to serve all their inhabitants;
- feature robust economies, with ample opportunities for employment; and
- offer safe and healthy places to live within a sustainable environment.

This report groups activities into one of the four areas that the MCW strategy outlines as vital to healthy and prospering cities. Additionally, this report highlights the innovative contract mechanisms and incentive programs that the Office of Environment and Urban Programs has developed to support an urban perspective in current and future development activities.

The Making Cities Work Activities Report is segmented according to the four themes of the strategy: better city governance, adequate infrastructure and shelter, economic growth, and a healthy sustainable environment. The matrices within each section display how each urban-focused activity serves sectoral interests in environment, democracy and governance, human capacity development (education), health, population, economic growth, and agriculture. Although all activities in this report focus on cities, some activities have implications extending beyond city limits. Thus, the report also shows how MCW activities are building capacity of USAID staff and in-country partners to meet the projected demands of explosive growth in urban centers.

Introduction

By 2030, the world's urban population is projected to double—from 2.6 to 5.1 billion. Each year 59 million new urban dwellers are added. By 2025-2030, 76 million will be added annually – 98 percent in the developing world.[2] This phenomenal growth in urban areas in developing countries promises compounded problems for cities already in crisis. A host of interrelated issues struggle for prominence in the allocation of scarce city resources.

However, what are "problems" for some are "opportunities" for others. Just as untamed urban growth threatens the stability and functioning of cities, well-managed growth of urban centers offers opportunities for prosperity. Urban centers become the nexus, where sectoral development activities come together. Managing the growth of cities provides an opportunity to use untapped synergies, resulting in a greater number of city dwellers enjoying a healthier, improved quality of life. This growth trend in developing cities combined with the opportunity for sectoral synergy drives the U.S. Agency for International Development's Making Cities Work (USAID/MCW) strategy.

Frequently, USAID is called on to demonstrate how overseas development assistance advances the interests of American citizens. One of the many ways to explain the intertwined interests of developing and transitional countries and the United States is through urban centers; specifically, their political, economic, and environmental impact on the United States. The implications of mismanaged growth in urban areas around the world transcend national borders. It affects the current quality of life Americans enjoy, as well as the prospects for future generations. Mismanaged and uncontrolled urban-

ization around the globe will have spillover consequences to Americans in three primary ways: threats to national security; threats to a sustainable, healthy environment; and promises of continued economic prosperity.

Photo: Alison Paijit

Overcrowding in Manila, Philippines, and other sprawling urban centers affect health, development and the environment.

According to the National Foreign Intelligence Board, under the authority of the Director of the Central Intelligence Agency, rapid urbanization is one of the key factors that defines the international security environment. If cities do not work, then "…groups feeling left behind will face deepening economic stagnation, political instability, and cultural alienation. They will foster political, ethnic, ideological, and religious extremism, along with the violence that often accompanies them. They will force the United States and other developed countries to remain focused on 'old-world' challenges while concentrating on

the implications of 'new-world' technologies at the same time.[3]" This prediction, however, is not a foregone conclusion; urbanization can be a positive force if managed well.

When an urban center is over-crowded and mismanaged, it can have negative consequences that degrade the environment and hampers improvement in the quality of life for the citizens of that city. These negative consequences can also have spillover implications that threaten the well-being of American citizens. For example, unplanned growth of a city and accumulations of waste and human excrement can lead to the destruction of wetlands and coral reefs, as well as to the loss of topsoil and the salinization of soils. Two examples of environmental effects that transcend nation-state boundaries are high levels of air pollution and polluted water sources, including rivers, aquifers, and oceans. These spillover consequences have health implications, ranging from the spread of contagious water and airborne diseases to the aggravation of existing health concerns, such as asthma. Because disease is only an airplane flight away, environmental degradation in mismanaged cities around the world threatens the quality of living conditions in the United States. The challenge therefore is to assist rapidly growing urban centers better manage the demographic changes in order to curb environmental hazards and provide healthier, sustainable places to live.

> "Large cities will be at the forefront of globalization and will be the principal nodes generating and mediating the flows of capital, people, trade, greenhouse gases, pollutants, diseases, and information. If both urbanization and decentralization continue in the decades ahead, cities will carry a heavy charge of responsibility for political stability, openness, economic progress, and the quality of life in many nations."
>
> — Ellen M. Brennan
>   Woodrow Wilson International
>   Center for Scholars

Just as ill-managed urbanization throughout the developing world threatens American interests, well-managed growth in urban centers can contribute to economic prosperity in the United States and around the globe. Cities that provide basic infrastructure at a reasonable cost – transport, water, building materials, energy – as well as complex information systems and a skilled labor force are havens for investment. Cities are useful because they provide agglomerated benefits. Agglomeration allows firms to experience the benefits of both economies of scale and scope. With increased ease of movement of goods, services, capital, and information within and across national borders, manufacturing and service industries are placing a greater premium on what cities can provide to meet their changing needs. As economic globalization continues, burgeoning urban centers, if managed well, can be engines that will contribute to ongoing economic prosperity in the United States.

MAKING CITIES WORK – USAID's Urban Strategy

To address the impacts of urbanization on countries and cities around the developing world, as well as to mitigate the adverse effects on American political, economic, and environmental interests, USAID adopted the MCW strategy. The MCW strategy aims to improve urban management and municipal governance in the areas of infrastructure development, local economies, and the environment.

Since 1998, the Office of Environment and Urban Programs has worked to catalyze within the Agency the MCW strategy. This agenda highlights the need for and utility in focusing attention on urban development.

How MAKING CITIES WORK Is Implemented

The first approach to implement MCW is to increase multi-sectoral collaboration in the design and implementation of development activities. Like other international development agencies, USAID is organized along sectoral lines, thus, policy inevitably follows the same tracks. Using only a single sector lens leads to missed synergies and opportunities, particularly when addressing urban issues that are inherently multi-sectoral. Only by responding to urban issues with a multi-sectoral approach can effective, sustainable development occur. The MCW strategy bridges institutional divides and facilitates this necessary collaboration within USAID and among bilateral donors, development banks, non governmental organizations, and the private sector.

The second MCW approach is to promote field activities, influence policy changes, and begin the scaling up of successful pilot programs. According to urban demographic projections, another 2 billion people will live in developing world cities by 2025. This means, for example, that more than 50 houses for families of five will need to be completed *every minute* for the next 25 years to accommodate this explosion of growth in urban centers.[4] In addition to growing shelter needs, basic urban services such as, sewage, access to electricity, and water availability, will also need to be addressed. For this to happen, changes in policy priorities are necessary to improve the quality of life for the billions of people projected to live in urban centers. The USAID urban policy reform activities in metropolitan areas and the promotion of scaling-up successful pilot projects are vital approaches in the MCW strategy.

USAID adds value by assisting city governments to:

· Promote participatory democracy, with high levels of citizen satisfaction with local institutions

· Provide basic infrastructure and housing to serve all their inhabitants

· Feature robust economies, with ample opportunities for employment

· Offer safe and healthy places to live, within a sustainable environment

The final approach to implement MCW is an increased focus on building the capacity of USAID staff and partners. The strategy pulls together donors, practitioners, and partners around a series of themes that reach across sectors and affect urban quality of life. Providing technical assistance to in-country partners raises awareness of the urban implications of current development programs and supports them as they identify the new entry points and opportunities that urban centers provide. Building capacity also facilitates an internalization of an urban perspective in the broader development vision of USAID staff and host country officials.

The Agency's Regional Urban Development Offices (RUDOs) serve as catalyzers for the MCW strategy. They have on-the-ground understanding of the area, thus can effectively disseminate best practices and lessons learned among cities as well as across countries. The RUDOs can leverage USAID experiences, tailoring them to the country context without being prescriptive. Additionally, RUDOs are uniquely positioned to work

across sectors within cities, thus can capitalize on the multi-sectoral synergies that may be missed in traditional single sector approaches. The RUDOs build an urban dimension into requesting Missions' existing Strategic Objectives and identify urban implications and entry points in current activities. The RUDOs also assist Missions in developing country strategies to create appropriate urban-related Strategic Objectives.

Better City Governance

Helping Cities Promote Participatory Democracy, with High Levels of Citizen Satisfaction with Local Institutions

Better city governance and management is in the interest of developing countries and touches American national interest as well. The push towards decentralization throughout the developing world sets the policy environment for cities as national development engines. The transfer of policy to practice is what drives Making Cities Work (MCW).

Cities that are livable and have stable governments become potential markets for U.S. commerce and businesses. Cities that function well are less likely to experience social unrest, which if left unattended could transcend geographic borders and threaten American interests. Cities that are governed effectively help translate the concept of democracy from a national, intangible notion into a local reality, where real improvements in quality of life issues are experienced everyday. This is particularly essential in nascent democratic governments, where the value of democracy is quietly tested daily by the citizenry and where opposition to democracy awaits the stirring of social unrest to gain entry into the political arena.

One example of the challenges city governments face is basic service delivery to an ever-growing citizenry. Presently, "about 30 percent of the urban population in developing countries do not have access to safe water, and 50 percent do not have adequate sanitation. That means that over 500 million people do not have safe water, and 850 million people do not have proper sanitation. Now consider that by the year 2020, there will be nearly 2 billion more people in urban areas needing these services."[5] Given that it is at the local level where most citizens interact with governmental authorities, the delivery of efficient municipal services affect popular perceptions of – and faith in – government.

Through the prism of MCW, the Office of Environment and Urban Programs emphasizes improved service delivery in metropolitan areas to increase citizen empowerment and satisfaction. The programs and field activities in this area build capacity of local government practitioners to be better managers, to embrace citizen participation, and to improve municipal services such as, solid waste and water/wastewater management, sewage, storm drainage, and energy access. By advocating a multi-sectoral approach at the city level, the Regional Urban Development Offices (RUDOs) facilitate efficient decentralized approaches with long-term impact on how city officials manage and govern expanding urban centers.

The Office of Environment and Urban Programs, as catalyzer of the MCW strategy, is helping cities promote better local governance, with high levels of citizen satisfaction through the following programs and activities undertaken in fiscal year 2000.

> "The challenge confronting city governments is more daunting than ever. …Municipal governments will have to become key actors in the process of negotiating and steering the opportunities and threats that arise from globalization, along with the host of ongoing local problems such as slums without basic services. In a climate of fiscal austerity it further means that city governments must find solutions to these problems with fewer resources."
> —Edgar Pieterse
> United Nations Urban
> Management Program

ACTIVITY	SECTOR	IMPACT LEVEL
Continued implementation of the Resource Cities partnership program, in coordination with the International City/County Management Association and USAID Missions to build capacity of city government officials. (See Attachment for list of U.S. and foreign participating cities) *Impact: Initiated 14 partnerships to strengthen technical capacity of city managers. Fostered dialogue about environmental policy, service delivery, economic development, and community revitalization.*	*Multi* *(DG, ENV, EGAD)*	*Cities* *(U.S. & overseas)*
REGIONAL URBAN DEVELOPMENT OFFICE/LATIN AMERICA AND CARIBBEAN		
Incorporated financial management elements in all local government projects in Paraguay. This includes preparation of basic budgets and financial reports, management of locally generated revenues, and appropriate use of debt to finance improvements in the delivery of services. *Impact: City government will begin receiving royalty funds from the bi-national hydroelectric entities. Incorporate private sector principles with local governance practices to improve financial management.*	*Multi* *(EGAD, DG)*	*Cities*
Initiated a pilot guidance and decision-making approach for municipalities and communities in Central America to select and implement sanitation services within the context of decentralization. *Impact: Will improve sanitation in small towns with an emphasis on community participation to support urban-health awareness. Accessed the Making Cities Work Partnership Fund that encourages multi-sectoral urban activities through matching grants of up to $50,000.*	*Multi* *(HEALTH, ENV, DG)*	*Cities*
Provided technical expertise to the Latin America and Caribbean Urban Network, composed of private sector leaders throughout the region. Began to develop an initiative to reform urban management and planning curricula and to provide the opportunity for distance learning. *Impact: Established a four-year work plan to evaluate curricula changes and to implement distance learning. Encouraged business leaders throughout Latin America to engage in urban challenges facing cities.*	*HCD*	*Regional*
REGIONAL URBAN DEVELOPMENT OFFICE/EASTERN EUROPE		
Organized a regional networking initiative called LOGIN for city governments and non-governmental organizations throughout Central and Eastern Europe, in collaboration with the Council of Europe, Open Societies Institute, the World Bank, and the United Kingdom. *Impact: Will enhance communications about country experiences, best practices, laws, and regulatory frameworks. Will bring together government practitioners, lawmakers, and researchers to discuss environment, health, education, and financial governance.*	*Multi* *(DG,ENV, HEALTH, HCD)*	*Regional*

AGRI – Agriculture; DG – Democracy and Governance; ENV – Environment; EGAD – Economic Growth and Development; HCD – Human Capacity Development

ACTIVITY	SECTOR	IMPACT LEVEL
REGIONAL URBAN DEVELOPMENT OFFICE/NORTH AFRICA		
Continues to support the Inter-Agency Democracy Working group that fosters more democratic, participatory, and accountable governance at the regional and municipal levels in Morocco. *Impact: Provided technical expertise to Ministries of Interior, Planning, and Finance. Coordinated inter-governmental and organizational dialogue among Moroccan government officials, USAID staff, and U.S. Embassy.*	*DG*	*National*
Sponsored training activities and workshops for Moroccan elected officials, covering budget and finances, decision-making skills, investment selection, management of computerization implications, and human resources. *Impact: Developed Local Government Best Practices manual that was disseminated to over 100 municipalities. Resulted in increased accuracy in budget forecasting and preparation, improved management and allocation of municipal resources, and better understanding of local financial and debt repayment capacity. Five percent improvement in revenue collection in four targeted areas.*	*DG*	*Cities*
Assisted in the development of the Charter Communal (Municipal Charter) that outlines the responsibilities of local authorities and provides the framework for municipalities to carry out these responsibilities in Morocco. *Impact: The Charter is the first government initiative to define a complete and coherent decentralization framework. Is affecting the design of the municipal finance system.*	*DG*	*National*
REGIONAL URBAN DEVELOPMENT OFFICE/SOUTH ASIA		
Provided the Tamil Nadu Urban Development Fund with extensive support in terms of advocacy services and study tours to facilitate the issuance of a bond that will support water, sewage, and solid waste projects in Indian cities. *Impact: Will be first issuance of a bond to a public finance fund. Will enable cities to pool resources to finance urban environmental infrastructure projects.*	*Multi (ENV, HEALTH, DG)*	*Cities*
Held a workshop on best practices in community-based solid waste management in Bangladesh. *Impact: Participants, following workshop, initiated and organized study tours and other activities geared towards information sharing. Highlighted linkages among governance, environment, service delivery, health, and community participation.*	*Multi (HEALTH, ENV, DG)*	*Cities*

Collaborated with USAID's Environmental Health Project to introduce Health Risk Assessment Studies in cities of South Asia and to plan mitigation strategies for them. *Impact: Continue to lead efforts to reduce infection of HIV across the continent by engaging city governments, health officials, and community-based organizations.*	*Multi* *(HEALTH, DG)*	*Inter-national*
Worked with Kathmandu Municipal Corporation to implement a double entry accounting system, and supported the training of municipal officials in double entry accounting practices, budgeting techniques, financial monitoring, and proper billing. *Impact: Will increase transparency in the financial management of local resources in Nepal and strengthen municipal governance practices.*	*DG*	*Cities*
Organized a two-day South Asia regional meeting on "Community Action for Environmental Management" to share best practices in urban environmental management, municipal and hospital waste management, industrial waste management, and judicial intervention. *Impact: Participants developed action plans to envisage technologies that turn "waste into wealth" through synergistic partnerships among communities, non-governmental organizations and the public sector. Engaged in multi-sectoral dialogue: environment, city governance, health, and regulatory and judicial strengthening.*	*Multi* *(ENV, HEALTH, DG)*	*Regional*

AGRI – Agriculture; DG – Democracy and Governance; ENV – Environment; EGAD – Economic Growth and Development; HCD – Human Capacity Development

ACTIVITY	SECTOR	IMPACT LEVEL
Continued to support the initiation and operation of city managers associations in India to increase capacity of governance professionals to manage effectively devolved responsibilities. Associations also serve as sustainable forums for the exchange of ideas. *Impact: Sponsored workshops to launch associations in four more states: Maharashtra, Tamil Nadu, Karnataka, and Andra Pradesh.*	*DG*	*National*
REGIONAL URBAN DEVELOPMENT OFFICE/SOUTH EAST ASIA		
Assisted the Indonesian Ministry of Home Affairs and Regional Autonomy and the Ministry of Finance to develop regulations for the full implementation of decentralization laws. *Impact: Influenced Indonesian policy dialogue. Facilitated the devolution of responsibility for the financing of infrastructure projects to local governments. Established new rules for revenue sharing between the central and city governments.*	*DG*	*National*
Held workshops to engage tax and finance officers from local Indonesian governments with drafters of the national decentralization regulations that became effective January 1, 2001. *Impact: Influenced the Government of Indonesia's four key regulations, outlining the policy on sharing revenue among central and local governments. Facilitated better communication among national and local government leaders about principles of sharing government revenue in the newly decentralized context.*	*DG*	*National*
Collaborated with the World Bank to fund the development of the fiscal transfer model for the general allocation grant to local governments; this was approved as an Indonesian government regulation. *Impact: The fiscal transfer model will provide a greater level of predictability and transparency to the process of allocating of funds to local governments. Coordinated donor efforts to minimize redundancy in activities and to leverage synergies.*	*DG*	*National*
Continue to conduct capacity-building needs assessment for Indonesian city governments, in coordination with the German Development Agency. *Impact: Will provide targeted assistance to support city managers in adopting recently devolved governing responsibilities. Influenced central government's policy approach to training for city governments. Brought together USAID's sectoral offices and German Development Agency to identify opportunities to facilitate a successful decentralization process in Indonesia.*	*DG*	*Cities*

Assisted in the creation of three independent professional associations for cities, counties, and provinces in Indonesia. *Impact: Will help to create a professional cadre of local government officials, who have the tools and skills necessary to manage efficiently and transparently the responsibilities recently devolved to them by the central government.*	*DG*	*National*
Pioneered the development of customer satisfaction surveys in Indonesia to enable customers to comment directly on the quality of water service delivery. Trained local governments vis-à-vis the association of water enterprises on the use of surveys. *Impact: Ten local governments have carried out customer satisfaction surveys. Collected information will direct future investments and improvements in water service delivery as well as the setting of user fees. Collaborated with U.S. Asia Environmental Partnership to leverage synergies and reduce duplication of efforts.*	*Multi* *(DG, ENV)*	*Cities*
Sponsored workshops on corporate planning for Indonesian water executives to improve management and provide better service delivery. *Impact: Encouraged team management and strategic planning through capacity building exercises. Influenced activities of the Ministry of Home Affairs & Regional Autonomy by involving Indonesian government in workshops.*	*DG*	*National*

AGRI – Agriculture; DG – Democracy and Governance; ENV – Environment; EGAD – Economic Growth and Development; HCD – Human Capacity Development

ACTIVITY	SECTOR	IMPACT LEVEL
REGIONAL URBAN DEVELOPMENT OFFICE/SUB-SAHARAN AFRICA		
Provided leadership in the Africa Fiscal Decentralization Study in coordination with the World Bank and Danish AID to initiate a two-year study on fiscal decentralization in six sub-Saharan countries. *Impact: Will improve service delivery through fiscal decentralization, with an emphasis on water and sanitation services. Will build capacity through information sharing among country participants. Facilitated dialogue among international donors and sub-Saharan countries about linkages among city governance, health, environment, and financial management*	*Multi* (ENV, HEALTH, DG)	*Regional*
Held one-day forum to discuss approaches city governments and other key urban actors can take to address the increasing number of AIDS orphans and vulnerable children living on urban streets throughout Africa. *Impact: About 65 international policymakers, non governmental organizations, and local and provincial government officials from eight countries participated in delivery-oriented dialogue to discuss urban health priorities.*	*Multi* (DG, HEALTH)	*Regional*
Designed and implemented a public-private partnership in Kinshasa, Democratic Republic of Congo. *Impact: Prepared Democratic Republic of Congo to receive a $5 million grant from the World Bank to invest in the transport sector. Ministry of Finance adopted recommendations about service delivery. Brought together interests from the private and public sector, as well as the international development community.*	DG	*National*
Developed Regional Dialogue on Decentralization, which is an Internet-based discussion network joining several African countries to facilitate discussion and information sharing about democratic decentralization. *Impact: Facilitated regional communication among central government ministers, elected mayors, and civil society organizations to disseminate lessons learned. Management of online forums being transferred to local non governmental organization in Benin.*	*Multi* (HCD, DG)	*Regional*
Helped develop the Fiscal Decentralization Action Plan that aims to liberalize city officials' capacity to borrow and improve the urban central-local government dialogue in Zimbabwe. *Impact: Continues to link city authorities with financial markets and enable them to enjoy increased operational autonomy. The Government of Zimbabwe accepted the proposal to permit city authorities to set their own tariffs and rates without seeking central government approval.*	*Multi* (EGAD, DG)	*National*

Facilitated inter-agency collaboration among USAID, State, HUD, EPA, DOE, USDA, Department of Treasury, and Department of Interior on the South African Fair Lending and Community Reinvestment Bill and the South African Disclosure Law. *Impact: Influenced Gore/Mbeki BiNational Commission agenda. Provided support for communities adjacent to the Namaqualand National Park. Strengthened the capacity of national, local, and provincial government institutions involved in environmental management policy. Facilitated dialogue across governments and sectors.*	*Multi* *(DG, ENV)*	*National*

AGRI – Agriculture; DG – Democracy and Governance; ENV – Environment; EGAD – Economic Growth and Development; HCD – Human Capacity Development

Basic Infrastructure and Shelter

Helping Cities Provide Basic Infrastructure and Shelter to Serve All Their Inhabitants

As urban areas across the globe rapidly expand, so do the number of inner city tenements, shantytowns, and squatter settlements. Simultaneously, quality of life in these communities worsens. The demise of healthy living results from the incapacity of city governments to manage growth and to ensure provision of basic shelter. The United Nations concluded that more than 500 million urban residents in less-developed countries––almost 30 percent of the world's urban population––were living without adequate shelter.

Basic shelter, particularly in crowded urban centers, is vital to the preservation of individual dignity and privacy. Without basic shelter, citizens, who otherwise would participate in democratic governance, are disenfranchised. Citizens, without adequate shelter, often cannot afford the luxury of sharing concern for the environment. Their primary concern is finding protection for their families from the environment. Although for the most part these concerns are local, they have global consequences.

Internationally, democratic governments must be concerned about the political stability of developing countries with nascent democracies. These nations, when weakened by urban sprawl combined with inadequate basic shelter, are susceptible to anti-democratic pressures. Radical changes of government are often accompanied by violence, which may destabilize a region, and lead to threats against U.S. national interests. Moreover, the impact of environmental neglect by metropolitan residents in developing countries has global consequences that far exceed the damages to the local environment. Citizens all over the world become susceptible to the harmful effects of global climate change and coastal zone destruction.

The programs and activities that the Office of Environment and Urban Programs supports and coordinates aim to alleviate the basic infrastructure and shelter crises faced by expanding urban centers. In collaboration with other bilateral donors, development banks, the international and local business communities, and other U.S. agencies, USAID's Regional Urban Development Offices facilitate multi-sectoral activities that use existing and under-utilized linkages. As highlighted in the Making Cities Work strategy, provision of basic shelter in a sustainable manner is vital. Frequently, this requires stimulation of private sector investment as exemplified in the following pilot projects and field activities.

Deplorable living conditions in Asuncion's squatter and shantytown tenements constitute serious environmental and social threats.

Photo: Alison Paijit

ACTIVITY	SECTOR	IMPACT LEVEL
Collaborated with the World Bank, UNCHS (Habitat), and other bilateral donors in "Cities Alliance," a donor consultative group that promotes City Development Strategies and the scaling up of slum upgrading programs. *Impact: Will promote new tools, practical approaches, and knowledge sharing among donor agencies, development banks, and global and regional partnership programs. Strengthens multi-sectoral and inter-Agency collaboration and coordination.*	*Multi (EGAD, DG, ENV)*	*Inter-national*
Assisted in improving access to credit for infrastructure and shelter upgrading through the Credit for Habitat program with PLAN International. *Impact: Continued lending in five pilot projects in Bolivia, Guatemala, El Salvador, Peru, and Sri Lanka. Will begin scaling up in Africa. Integrate micro-credit and infrastructure needs. Facilitated multi-sectoral discussion about the need for credit and shelter improvement.*	*Multi (EGAD, ENV)*	*Inter-national*
REGIONAL URBAN DEVELOPMENT OFFICE/LATIN AMERICA AND CARIBBEAN		
Continued in the reconstruction effort in Guatemala and Honduras to help municipalities build sustainable systems for financing the rebuilding of shelter. *Impact: Reconstructed local shelter through local and international finance organizations. Coordinated various U.S. government agencies, including HUD, to introduce urban disaster mitigation strategies.*	*Multi (ENV, DG)*	*National*
Assisted in the packaging of bonds (approximately US$100 million) backed by residential leasing contracts in Chile. Helped develop a market-driven leasing mechanism through which targeted subsidies, individual savings, and private sector resources for housing may be mobilized. *Impact: Accessed capital market financing for below median income housing. Developed an adapted version of Chilean housing finance model to implement in other Latin American and Caribbean countries. Brought together private sector and government practitioners.*	*EGAD*	*National*
Supported earthquake reconstruction efforts in Colombia in the design of an affordable shelter model for 250 families in the City of Armenia. The model included income generation, construction finance, and community development aspects. *Impact: Colombian nongovernmental organizations mobilized resources to complement ongoing reconstruction efforts.*	*Multi (DG, ENV)*	*National*
Strengthened intermediate institution for low-cost shelter in the Dominican Republic. *Impact: Facilitated policy dialogue among national housing authorities, Dominican banking institutions, multilateral development banks, international donors, and other institutional partners, resulting in a sustainable shelter finance system. Encouraged cross-sectoral discussion about low cost shelter.*	*Multi (EGAD, ENV)*	*National*

REGIONAL URBAN DEVELOPMENT OFFICE/EASTERN EUROPE		
Completed direct shelter assistance program in Poland. *Impact: Created 35 self-sufficient local shelter agencies, which have constructed over 1,700 affordable houses in democratically managed cooperatives and another 1,000 units in a new social housing rental plan. The program leveraged more than $30 million in investments and generated local employment. Approximately 100 Polish city governments were recipients of local housing policy design and implementation support.*	*Multi* *(DG, ENV)*	*National*

AGRI – Agriculture; DG – Democracy and Governance; ENV – Environment; EGAD – Economic Growth and Development; HCD – Human Capacity Development

ACTIVITY	SECTOR	IMPACT LEVEL
Provided technical assistance to the Mortgage Fund and the Government of Poland's Housing Finance Office for oversight of the Fund. Sponsored technical training directed at building the capacity of bankers/developers to use construction finance to generate new shelter projects and demand. *Impact: Stimulated mortgage sector in Poland. Encouraged dialogue between private sector and government on multi-sectoral approaches to developing shelter.*	*Multi* *(EGAD, DG)*	*National*
REGIONAL URBAN DEVELOPMENT OFFICE/SOUTH EAST ASIA		
Signed a Memorandum of Understanding with the newly established Indonesian Association of Mayors to hold a workshop on disaster mitigation planning and preparedness. *Impact: Resulted in post-earthquake damage and recovery assessments for cities torn apart by the mid-2000 earthquake. Developed city-level earthquake mitigation program. Continues to disseminate lessons learned about preparing for earthquake disasters.*	*Multi* *(ENV. DG)*	*Cities*
Assisted city governments to create a multi-sectoral policy and planning framework to guide medium-term urban infrastructure development. *Impact: Completed nine Basic Urban Development Plans in East and West Java, Indonesia. Generated unsolicited written interest from 50 additional city governments, requesting assistance in developing their own Basic Urban Development Plan. Encouraged multi-sectoral discussion about practical local approaches to urban infrastructure.*	*Multi* *(DG, ENV)*	*Cities*

REGIONAL URBAN DEVELOPMENT OFFICE/SUB-SAHARAN AFRICA		
Continued to support the Private Sector Housing Program in Zimbabwe. The program is tasked with promoting policy and municipal finance reform and private sector involvement in urban environmental and shelter infrastructure. *Impact: 29,436 low-income households were serviced as a result of public-private sector partnerships. Facilitated greater collaboration among business and government leaders on environmental and infrastructure issues.*	*Multi (EGAD, ENV, DG)*	*National*
Supported the creation of a locally owned and staffed technical assistance company to provide best practice solutions and project management of environmentally sustainable houses in South Africa. *Impact: Will construct 300,000 homes and create increased job opportunities. Deepen collaboration between shelter/infrastructure sector and environment sector.*	*Multi (EGAD, ENV)*	*Cities*
Utilized USAID's Development Credit Authority to support CASHBANK, Ltd., which is one of South Africa's smallest, yet fastest growing housing finance institutions in the low-income niche market. *Impact: Will improve shelter conditions and related amenities for 12,000 lower and middle-income households in South Africa. Opened up the financial sector to historically disadvantaged individuals in urban areas with housing needs. Brought together urban stakeholders.*	*EGAD*	*National*
Accessed the last portion of the Urban and Environmental Credit Authority to structure a deal with FIRSTRAND Bank to promote municipal infrastructure investment over a five-year period. *Impact: Will benefit 700,000 disenfranchised South African households. Engaged the private sector in infrastructure construction and improvement in urban areas.*	*Multi (ENV, EGAD)*	*National*

AGRI – Agriculture; DG – Democracy and Governance; ENV – Environment; EGAD – Economic Growth and Development; HCD – Human Capacity Development

The Private Sector

Helping Cities Feature Robust Economies, with Ample Opportunities for Employment

The National Foreign Intelligence Board states that "the explosive growth of cities in developing countries will test the capacity of governments to stimulate the investment required to generate jobs and to provide services, infrastructure, and social supports necessary to sustain livable and stable environments."[6] To address and mitigate the rapid growth of urban metropolitan areas and the consequences of their mismanagement, city governments must engage the private sector. They must also begin to approach economic development in a multi-sectoral way that embraces transparency and accountability. The Making Cities Work (MCW) strategy emphasizes the need to engage the private sector and community groups in city governance, environmental management, public health concerns, and economic development issues.

Through multi-sectoral approaches, expanding cities will be better equipped to foster robust economies. Additionally, urban centers can create enormous employment opportunities for the poor because they account for a disproportionately large share of national economic production. This is due to the fact that they facilitate increasing returns from land, labor and capital. As a result of their activities, savings, investment and wealth accumulate in cities. Stable overseas cities, with efficient management and sustainable environmental practices, also provide natural markets and trade opportunities for American businesses. Thus, urban centers can provide productive linkages to the international economy and allow countries to capitalize on the business and trade opportunities in urban areas. Moreover, American business interests are promoted abroad, spurring continued economic prosperity and global market leadership.

In Cebu, Philippines, dynamic urban markets are sources of employment for many inhabitants.

The programs and activities facilitating private sector participation in urban developmen target primarily inefficient state-controlled utilities. There is an emphasis on building awareness of how market distortions, such as state subsidies and state-owned entities, can have negative consequences on the local economy and on the attractiveness of the city to multi-national investors. Through information sharing and technical assistance, the negative, multi-sectoral impact of unnecessary government intervention in the market becomes apparent. Field activities and pilot projects reinforce this message and lead to long-term modification of governance policy.

Through the MCW strategy, the Office of Environment and Urban Programs promotes the development of the urban center as a nexus of domestic and international economic activity. The following are some accomplishments in fiscal year 2000.

ACTIVITY	SECTOR	IMPACT LEVEL
REGIONAL URBAN DEVELOPMENT OFFICE/LATIN AMERICA AND CARIBBEAN		
Continued to strengthen the Municipal Finance System. This scheme focuses on developing policy frameworks, supporting credit rating and banking systems, and increasing market understanding. *Impact: Will facilitate an increase in the availability and choices for financing municipal services throughout Central America. Engage private sector collaboration in city governance and local service delivery.*	*Multi (EGAD, DG)*	*Regional*
Implemented pilot project for private sector participation in packaging shelter-related debt as bonds in El Salvador. *Impact: Worked with public-private partners to develop a policy framework for packaging bonds and to assist Salvadoran Commission to develop securitization law for the country. Facilitated collaboration between financial sector and public sector around provision of infrastructure in urban areas.*	*EGAD*	*National*
Helped define the agenda for the Latin America and Caribbean Urban Network, a regional association of private sector leaders interested in urban management. *Impact: Facilitated discussion with private sector about environment friendly urban design and construction methods, mobilization strategies for using private capital to finance shelter development, and creation of sound institutional and legal frameworks. Brought together multi-sectoral interests: environment, infrastructure in business and government collaboration.*	*Multi (HCD, DG, ENV, EGAD)*	*Regional*
REGIONAL URBAN DEVELOPMENT OFFICE/EASTERN EUROPE		
Provided technical assistance to build the financial management capacity of Polish municipalities to assess creditworthiness and multi-year capital investment plans. *Impact: City governments will be better prepared and positioned to access the $120 million loan from the World Bank to increase service delivery. Fostered discussion between private sector and city governments.*	*Multi (EGAD, DG)*	*National*
Managed first municipal credit finance system in the Czech Republic that involved private banking institutions. *Impact: Private banks funded 213 diverse infrastructure projects across 118 municipalities with a dramatic impact on the expanded delivery of services, including sewage, solid waste management, storm drainage, and water/wastewater management. Integrated sectoral interests of city governance, environment, and economic growth.*	*Multi (ENV, EGAD, DG)*	*National*

Provided technical assistance to the Polish Council of Ministers and supported the capital markets development initiative. *Impact: Formal approval of the National Water Pricing Policies and Standards (budgeting/financial practices). Significantly increased city governments access to loans and sale of municipal bonds by building confidence of Poland's banking sector in local governments' capacity. Fostered cross-sectoral linkages between private sector, city governments, and environmental service delivery.*	*Multi (ENV, EGAD, DG)*	*National*

AGRI – Agriculture; DG – Democracy and Governance; ENV – Environment; EGAD – Economic Growth and Development; HCD – Human Capacity Development

ACTIVITY	SECTOR	IMPACT LEVEL
REGIONAL URBAN DEVELOPMENT OFFICE/NORTH AFRICA		
Managed Phase III of Investors' Roadmap for Morocco that focuses on land development issues for investment purposes. *Impact: Will encourage greater private sector investment and lead to improved economic growth.*	*EGAD*	*National*
Managed a micro-finance program, including a Development Credit Authority project design for shelter activity in Morocco. *Impact: Facilitated cross-sectoral approach to provide affordable shelter by engaging private sector, non governmental organizations, and Moroccan government officials.*	*Multi (DG, EGAD)*	*National*
Strengthened financial mechanisms for the finance of municipal infrastructure and service provision in Morocco. Supported the privatization of two parastatal institutions (National Shelter Upgrading Agency and Fonds Communal d'Equipment). *Impact: Implemented joint on-site/off-site infrastructure and land development partnerships with private developers and city governments, resulting in infrastructure development and the private provision of 2000 houses affordable to the poor.*	*Multi (EGAD, DG)*	*National*

REGIONAL URBAN DEVELOPMENT OFFICE/SOUTH ASIA		
Facilitated the issuance of tenders for private sector participation in solid waste management in the Indian cities of Kolapur, Gandhinagar, and Tirrupur. *Impact: Privatized solid waste disposal. Motivated 35 other Indian cities to issue tenders for private management of solid waste disposal and composting. Encouraged multi-sectoral approach tying business, government and environmental interests to achieve mutual benefit. Brought together stakeholders across sectors (environment, health, business, and city governance) to leverage synergy.*	*Multi (EGAD DG, ENV)*	*Cities*
Facilitated the financing of the construction of a bulk water supply, transmission distribution, and sewage treatment center through private financial institutions, both domestic and international. *Impact: The water supply and transfer/distribution project is the first of its kind to be managed by the private sector in Tirrupur, India. Enhanced collaboration among health, environment, private and public sectors.*	*Multi (ENV, EGAD DG)*	*Cities*
REGIONAL URBAN DEVELOPMENT OFFICE/SOUTH EAST ASIA		
Responded to the financial crises of 57 vulnerable water enterprises in Indonesia by providing assistance in finance and operations management, specifically the re-rating of plant facilities to improve efficiency. *Impact: Improved revenue generation and financial solvency of water enterprises. Encouraged innovation and low-cost technical solutions that resulted in service delivery improvement. Facilitated better communication between city governments and water enterprises to develop Financial Recovery Action Plans.*	*Multi (ENV, DG, EGAD)*	*National*
Continue to work with municipal water enterprises to prepare for future public-private partnerships by encouraging full cost recovery through improved efficiency, expanded access, and rational tariffs for water. *Impact: The City of Manado is developing a tender of $30 million for operation and expansion of the municipal water system. It will be the first fully competitive and transparent concession contract.*	*Multi (ENV, EGAD, DG)*	*Cities*

AGRI – Agriculture; DG – Democracy and Governance; ENV – Environment; EGAD – Economic Growth and Development; HCD – Human Capacity Development

ACTIVITY	SECTOR	IMPACT LEVEL
REGIONAL URBAN DEVELOPMENT OFFICE/SUB-SAHARAN AFRICA		
Provided technical input to South Africa's Department of Finance on the Municipal Financial Management Bill, and continued supporting the Municipal Infrastructure Investment Framework that lobbied successfully for the passage of the Municipal Structures Act Amendment and the Municipal Systems Act. *Impact: Continued to facilitate a multi-sectoral policy framework to guide financing of urban infrastructure. Increased transparency and monitoring of municipal finance policy and activities. Promoted multi-sectoral discussion about city governance, environment and municipal finance at the national government level. Strengthened the financial viability of city authorities to attract long-term finance for municipal environmental infrastructure.*	*Multi (EGAD, DG)*	*National*
Continued support of the Municipal Infrastructure Investment Unit, which encourages and optimizes private sector participation and investment in the provision of environmental infrastructure to local communities in South Africa. Since 1998, the Unit has supported $300 million in private investments, benefiting 4 million South Africans. *Impact: Facilitated municipal-private sector contract to compost waste on a cost recovery basis in Robertson. Implemented management contract for operation of Thabazimbi's landfill, collection of solid waste, and street cleaning. Engaged private sector in delivery of municipal environment services in urban settings.*	*Multi (EGAD, ENV)*	*National*
Consulted on the sale of Johannesburg's Metro Gas, a municipal gas distribution business, in collaboration with the Municipal Infrastructure Investment Unit. *Impact: Expected improvement of service for 15,000 business and residential customers and increased investment in the utility by private sector owners. Advanced collaboration among city government and private sector on delivery of utilities.*	*Multi (DG, EGAD)*	*Cities*
Promoted the corporatization of Johannesburg Metro Bus Services through the Municipal Infrastructure Investment Unit, including the appointment of a Board of Directors and adoption of a business plan. *Impact: Facilitated the privatization process and brought together city government officials and private sector interests to improve transportation service to city residents.*	*EGAD*	*Cities*

Provided technical assistance to the City of Gweru, Zimbabwe to initiate privatization of its water and wastewater systems. *Impact: Was the first privatization effort in Zimbabwe and was impetus for the City of Bulawayo to begin exploration of infrastructure privatization. Initiated discussion among local authorities and business community about collaboration and privatization.*	*Multi* *(EGAD,* *ENV)*	*Cities*
Co-designed and sponsored the draft of the Government of Rwanda's fiscal decentralization strategy, which complements an $8 million community investment initiative. *Impact: Influenced governance policy in Rwanda. Will assist cities to improve management and governance, resulting in increased transparency and accountability to local residents.*	*Multi* *(EGAD,* *DG)*	*National*

AGRI – Agriculture; DG – Democracy and Governance; ENV – Environment; EGAD – Economic Growth and Development; HCD – Human Capacity Development

Sustainable Environment

Helping Cities Offer Safe and Healthy Shelter, within a Sustainable Environment

The existing environment of each nation is inextricably linked to the sustainability of the natural environment around the globe. To separate the two is unrealistic because nation-state boundaries are unable to contain the spillover effects that mismanaged cities can have on natural resources around the world.

For example, overcrowded living conditions contribute to environmental degradation when city governments fail to dispose properly of solid waste and sewage effluent. Unsanitary slum settlements with limited or no access to basic services such as, potable water and wastewater treatment, which also affect the sustainability of the environment. Deforestation, desertification, loss of topsoil, salinization of soils, destruction of wetlands, and coral reef depletion, as well as the loss of biodiversity and air and water pollution, are some of the environmental changes that can result from unmanaged urban growth.[7] Each of these environmental changes has health implications that threaten the urban population and the global community.

In mobile societies with thriving tourist industries or large immigrant populations, it is difficult to contain the health consequences resulting from environmental degradation.

The threat of contagious waterborne and airborne diseases, as well as the possibility of fires and other natural disasters are constant hazards threatening the quality of everyday life.

Improving the capacity of municipal officials to manage their cities in an environment-friendly and sustainable way is a pillar in the Making Cities Work strategy. The following is a snapshot of some activities and programs that demonstrate the integration of sectors to promote healthy and safe places to live within a sustainable environment.

> "It is time to understand 'the environment' for what it is: the national-security issue of the 21st century. The political and strategic impact of surging populations, spreading disease, deforestation, and soil erosion, water depletion, air pollution, and, possibly, rising sea levels in critical, overcrowded regions—developments that will prompt mass migrations and, in turn, incite group conflicts—will be the core foreign-policy challenge from which most others will ultimately emanate, arousing the public and uniting assorted interests left over from the Cold War."
>
> — Robert D. Kaplan
> *Atlantic Monthly*

ACTIVITY	SECTOR	IMPACT LEVEL
Provided training to over 25 USAID staff and partners through the "Cities Matter" training course on the role of Local Government and Global Climate Change. *Impact: Country teams learned practical strategies to implement in their cities. Designed action plans tailored to the needs of their country/municipality. Brought together persons from different sectors, facilitating multi-sectoral dialogues and increasing cross-sectoral awareness.*	*Multi* *(DG, ENV)*	*Inter-national*
Offered multi-sectoral, collaborative Making Cities Work Seminars on cultural heritage preservation, coastal zone management, and air quality improvement. *Impact: Multi-sectoral and inter-agency working groups developed from these half-day seminars to continue exploration and discussion of topics.*	*Multi* *(DG, ENV)*	*Inter-national*
REGIONAL URBAN DEVELOPMENT OFFICE/LATIN AMERICA AND CARIBBEAN		
Supported the Woodrow Wilson Center's Comparative Urban Studies Project to host a regional forum on the impact of natural disasters on urban health and development in Central America and Caribbean. *Impact: Seventy government officials, community groups, researchers, local and international non-governmental organizations, and USAID staff participated in the discussions about disaster preparedness, mitigation, relief and reconstruction.*	*Multi* *(ENV, HEALTH, DG)*	*Regional*
Initiated a pollution prevention program in Guatemala through the Local Environmental Policy and Program Initiative. *Impact: Addresses, in a multi-sectoral manner, management and disposal of solid waste, and reduction of contamination caused by the discharge of wastewater into rivers. Accessed the Making Cities Work Partnership Fund that provides up to $50,000 in matching funds to encourage multi-sectoral urban activities.*	*Multi* *(HEALTH, DG, ENV)*	*Cities*
Developed an industrial pollution prevention program to reduce exposure to lead in Peru. *Impact: Will initiate health education campaign about lead in the environment. Establish a model public-private partnership on pollution prevention and toxic exposure reduction. Funded through the Making Cities Work Partnership Fund.*	*Multi* *(HEALTH, ENV)*	*National*

REGIONAL URBAN DEVELOPMENT OFFICE/NORTH AFRICA		
Assisted in the management of the Souss-Massa Integrated Water Resources Management Activity in Morocco that brings together best practices from the urban, agricultural, and industrial sectors. *Impact: Continues to encourage multi-sectoral approach to water resources management.*	*Multi (AGRI, ENV, HEALTH, DG)*	*Cities*
Provided technical assistance on urban environmental issues in Morocco, such as solid and liquid waste, municipal, infrastructure and shelter finance, and environmental planning. *Impact: Facilitated a multi-sectoral approach to city governance, bringing together private sector and government leaders.*	*Multi (ENV, HEALTH, DG)*	*National*
REGIONAL URBAN DEVELOPMENT OFFICE/SOUTH ASIA		
Worked with number of cities in India, Nepal, Sri Lanka and Bangladesh to introduce efficient urban environment management tools e.g. Environmental Mapping, Environmental Risk Assessment and Environmental Management Plans. *Impact: Helped cities to identify and prioritize their infrastructure investment needs.*	*Multi (ENV, DG)*	*Cities*

AGRI – Agriculture; DG – Democracy and Governance; ENV – Environment; EGAD – Economic Growth and Development; HCD – Human Capacity Development

ACTIVITY	SECTOR	IMPACT LEVEL
Worked with taskforce of mayors from Sri Lanka to identify urban health solutions to the problems of waste. Discussed lack of sanitary landfill sites, absence of appropriate recycling technology, benefit of private sector participation, and need for training of municipal officials. *Impact: Chief Minister initiated privatization of the collection and disposal of waste using composting and/or waste-to-energy technology, as recommended by task force. Integrated sectoral topics of environment, privatization, and service delivery to develop multi-sectoral approach.*	*Multi (HEALTH, ENV)*	*Cities*
Led the scaling up of India's Environmental Status Report, which details every aspect of a city structure and identifies potential environmental hazards and appropriate steps to improve environmental management. *Impact: Brought community, private and public sector groups together to collect information and recommend city strategies on environment, health, and city governance issues.*	*Multi (ENV, HEALTH, DG)*	*Cities*
Managed the Asian Urban Disaster Mitigation Project in South and Southeast Asia. Coordinated with the Office of Foreign Disaster Assistance (OFDA) and Care International. *Impact: Collected baseline data for risk assessment and established training modules in Bangladesh to initiate disaster mitigation projects. Completed a series of industrial hazard maps and began developing disaster mitigation strategies. Facilitated the Nepalese government's public awareness campaign about earthquake safety and completed disaster mitigation work plan for the City of Katmandu. In Sri Lanka, scaled up successful pilot projects.*	*Multi (ENV, HEALTH, DG)*	*Regional*
REGIONAL URBAN DEVELOPMENT OFFICE/SOUTH EAST ASIA		
Provided ministerial guidance to city governments in Indonesia about urban environmental improvement on community level. *Impact: Led to development of 26,000 urban environmental infrastructure projects, which will begin to receive funding from the World Bank. Generated employment for community, where small-scale project implemented.*	*Multi (EGAD, ENV, DG, HEALTH)*	*Cities*
REGIONAL URBAN DEVELOPMENT OFFICE/SUB-SAHARAN AFRICA		
Promoted energy efficient housing and energy efficiency in municipal services in South Africa. Sponsored the development of over 200 model "eco-houses." *Impact: Led to Sustainable Homes Initiative, which provided support to enable the construction of over 30,000 eco-homes, conducted training of builders and small developers, and established a website and information network on appropriate technologies. Brought environment, shelter, private sector, and local government sectors together.*	*Multi (EGAD, ENV, DG)*	*National*

Sponsored advisor to the City of Johannesburg, South Africa to assist in the development of energy efficient practices. *Impact: Implemented a municipal energy audit, identifying six areas where the city could save substantial sums by making energy efficient improvements in street lighting, solid waste collection and disposal, and water service delivery.*	*Multi* *(ENV, DG)*	*Cities*
Implemented three urban environmental health pilot projects in Kinshasa, Democratic Republic of Congo that will address community participation, behavioral change, decentralization, urban environmental sanitation improvements, information dissemination, and training. *Impact: Will benefit approximately 40,000 households. Facilitated multi-sectoral dialogue and development activity to enhance effectiveness.*	*Multi* *(HEALTH, ENV, DG)*	*Cities*

AGRI – Agriculture; DG – Democracy and Governance; ENV – Environment; EGAD – Economic Growth and Development; HCD – Human Capacity Development

In today's world of 6 billion people – nearly half of which already live in urban centers, cities will continue to play a lead role in development. The challenge is to ensure that poor people benefit from the process of urbanization. They need somewhere secure and healthy to live, and they need to have access to a broad range of services. The Making Cities Work strategy highlights these needs in an urban setting and encourages multi-sectoral approaches that leverage resources in an efficient and effective way.

For more information on *Making Cities Work*, please contact:

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www.makingcitieswork.org

ATTACHMENT 1: RESOURCE CITIES - LIST OF US AND FOREIGN CITIES

ROUND ONE—May 1997

Quetzaltenango, Guatemala	Albuquerque, New Mexico
Quito, Ecuador	San Jose, California
Cochin, India	Charleston, South Carolina
Lusaka, Zambia	Dayton, Ohio
Johannesburg, South Africa	Houston, Texas
Manzini & Mbabane, Swaziland	Durham & Winston-Salem, North Carolina

June 1997

Stara Zagora, Bulgaria	Durham, North Carolina
Haskovo, Bulgaria	Abington, Pennsylvania
Rousse, Bulgaria	Duluth, Minnesota
Novgorod, Russia	Hartford, Connecticut
Pietermaritzburg, South Africa	Hampton, Virginia
Capetown, South Africa	Charlotte, North Carolina
Ocotlan, Mexico	Tempe, Chandler, & Pinal County, Arizona
Zapotlan el Grande, Mexico	Avondale, Gilbert, and Yuma, Arizona
Sayula, Mexico	Avondale, Gilbert, and Yuma, Arizona
Zapotlanejo, Mexico	Scottsdale, Arizona
Lagos de Moreno, Mexico	Phoenix, Tolleson, & Bullhead City, Arizona
San Juan de los Lagos, Mexico	Phoenix, Tolleson, and Bullhead City, Arizona

ROUND TWO—September 1998

Asuncion, Paraguay	Austin, Texas
Sibiu County, Romania	Grand Traverse County, Michigan
El Salvador Municipal Association	Florida League of Cities/County Managers' Association
Mutare, Zimbabwe	Savannah, Georgia
Gweru, Zimbabwe	Saginaw, Michigan
Dobrich, Bulgaria	Spokane, Washington
Blagoevgrad, Bulgaria	Auburn, Alabama
Razgrad, Bulgaria	Brunswick, Ohio
Gabrovo, Bulgaria	Portage, Michigan

ROUND THREE – September 1999

Almaty, Kazakhstan	Tucson, Arizona
Pavlodar, Kazakhstan	Helena, Montana
Naryn, Kyrgyzstan	Great Falls, Montana
Cebu, Philippines	Fort Collins, Colorado
Rayong, Thailand	Portland, Oregon
Ulaanbaatar, Mongolia	Bakersfield, California
Haiphong, Vietnam	Seattle, Washington
TBD, Vietnam	TBD
Nis, Serbia (Sofia, Bulgaria)	Columbus, Ohio

Kragujevac, Serbia (Pitesi, Romania)   Springfield, Ohio
Subotica, Serbia (Szeged, Hungary)   Akron, Ohio
Pancevo, Serbia , (Timisoara, Romania)   Lockland, Ohio
Amman, Jordan   TBD

ENDNOTES

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